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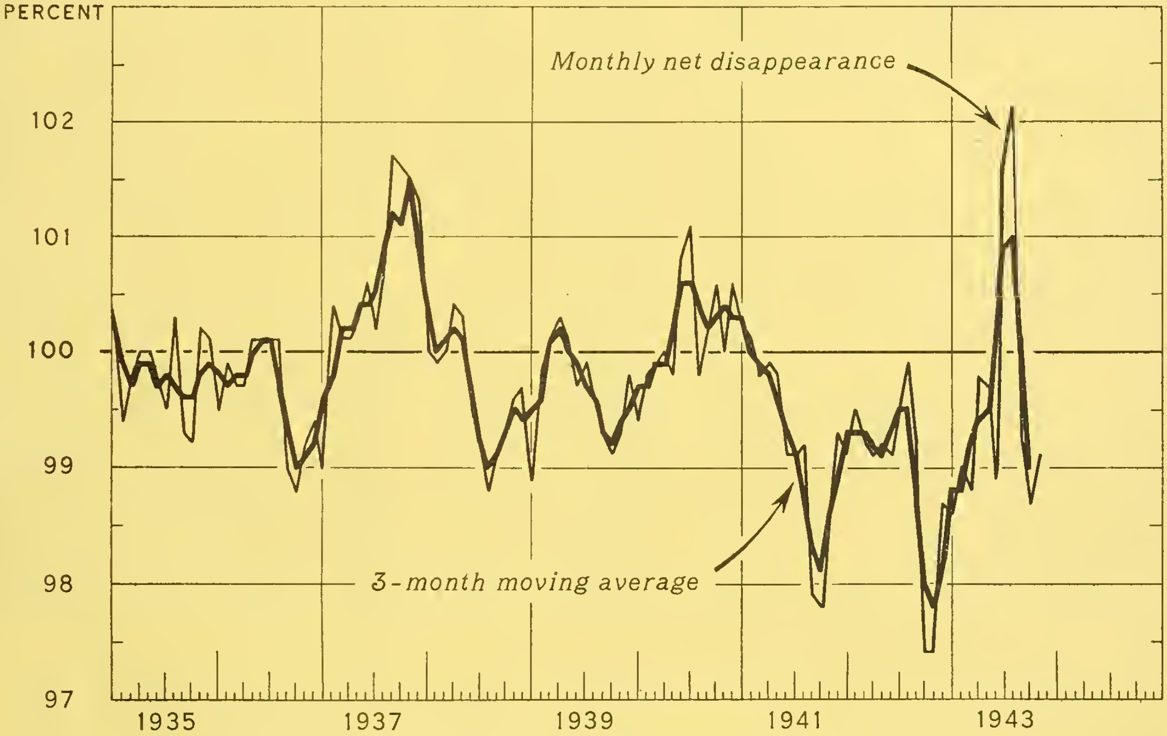
THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

PES-84 BAE DECEMBER 1943

NET DISAPPEARANCE OF BIRDS FROM LAYING FLOCKS, UNITED STATES, 1935-43*

INDEX NUMBERS (1932-41=100)



* NET DISAPPEARANCE RELATIVE TO PREVAILING NUMBERS OF LAYERS

U. S. DEPARTMENT OF AGRICULTURE NEG 43419 BUREAU OF AGRICULTURAL ECONOMICS

From March 1941 through June 1943 farmers culled their flocks lightly. But numbers of layers on farms have increased less this fall than last even though the number of chickens raised was much larger in 1943 than in 1942. This reflects the scarcity of feed in deficit feed areas and limited housing facilities in surplus feed areas. On December 1, 1943 the number of potential layers on farms was 9 percent larger than a year earlier compared with 11 percent on November 1.

STATISTICAL SUMMARY

ITEM	UNIT	NOVEMBER AVERAGE		1942		1943		PCT. O YEAR EARLIE
		PERIOD	AVERAGE	OCTOBER	NOVEMBER	OCTOBER	NOVEMBER	
Number of layers on farms	*Million*	1932-41	304.3	339.1	378.6	366.4	402.4	106
Number of eggs laid per hen	*Number*	1932-41	5.31	8.12	6.86	8.11	6.73	98
Total farm production of eggs	*Mil. doz.*	1932-41	134.9	229.4	216.3	247.7	225.6	104
Stocks, eggs, U. S.:[1]								
Shell	*1,000 case*	1932-41	2,004	3,117	1,170	3,994	1,762	151
Frozen	*1,000 case*	1932-41	2,326	4,809	3,369	6,460	4,614	137
Total	*1,000 case*	1932-41	4,330	7,926	4,539	10,454	6,376	140
Apparent egg disappearance:								
Storage shell eggs	*Mil. doz.*	1932-41	62.8	44.2	32.9	31.0	42.2	128
Frozen eggs	*Mil. doz.*	1932-41	11.9	21.0	21.4	24.7	25.6	120
Total shell egg equivalent	*Mil. doz.*	1932-41	219.0	273.3	256.1	283.3	271.7	106
Dried egg production	*Mil. lb.*	--	--	22.8	19.5	23.2	22.1	113
Commercial hatchery operations:								
Eggs set	*Million*	--	--	35.2	41.2	40.2	36.3	88
Chicks hatched	*Million*	--	--	23.4	25.4	25.5	23.5	93
Receipts:								
Poultry, dressed, four markets	*Mil. lb.*	1932-41	72.4	57.1	73.5	51.0	66.9	91
Poultry, live, Chicago[2]	*Car*	1937-41	459	560	424	480	515	121
Poultry, live, New York[2]	*Car*	1937-41	736	714	744	822	863	116
Poultry, live, Midwest, per plant	*1,000 lb.*	1932-41	30.12	43.05	36.04	48.67	46.55	129
Fowl (hens), live, Midwest, per plant	*1,000 lb.*	1932-41	10.99	18.88	16.71	21.20	22.62	185
Young stock, live, Midwest, per plant	*1,000 lb.*	1932-41	18.55	23.78	18.90	26.97	23.44	124
Stocks, poultry:[1]								
Broilers	*Mil. lb.*	1932-41	14.2	10.8	10.6	12.4	13.6	128
Fryers	*Mil. lb.*	1932-41	12.8	16.5	17.3	15.6	19.9	115
Roasters	*Mil. lb.*	1932-41	26.5	36.2	45.0	28.5	38.9	86
Fowls (hens)	*Mil. lb.*	1932-41	21.8	44.1	50.5	40.1	60.8	120
Turkeys	*Mil. lb.*	1932-41	17.3	12.7	26.9	14.6	24.3	90
Ducks	*Mil. lb.*	1932-41	6.7	8.0	5.9	3.4	3.2	54
Miscellaneous and unclassified	*Mil. lb.*	1932-41	28.5	32.7	37.0	25.7	36.7	99
Total poultry	*Mil. lb.*	1932-41	121.0	161.0	193.3	140.2	197.4	102
Prices received by farmers:								
Eggs, per dozen	*Cent*	1932-41	28.6	37.4	38.9	45.2	47.1	121
Eggs, parity price per dozen	*Cent*	1932-41	39.2	42.0	47.0	45.0	49.5	105
Eggs, percentage of parity	*Percent*	1932-41	73	89	83	100	95	--
Chickens, per pound	*Cent*	1932-41	13.1	19.5	19.6	24.6	24.3	124
Chickens, parity price per pound	*Cent*	1932-41	14.7	17.6	17.7	18.9	19.0	107
Chickens, percentage of parity	*Percent*	1932-41	89	111	111	130	128	--
Turkeys, per pound	*Cent*	1937-41	17.3	23.9	27.0	29.9	32.7	121
Turkeys, parity price per pound	*Cent*	1937-41	18.9	22.2	22.3	23.9	24.0	108
Turkeys, percentage of parity	*Percent*	1937-41	92	108	121	125	136	--
All farm commodities (1910-14 = 100)	*Index no.*	1932-41	100	169	169	192	192	114
Chickens and eggs (1910-14 = 100)	*Index no.*	1932-41	128	173	178	212	217	122
Wholesale prices, Chicago:								
Eggs, standards, per dozen[3]	*Cent*	1932-41	27.8	39.7	40.0	43.7	44.2	110
Live heavy hens, per pound	*Cent*	1937-41	17.0	20.7	21.8	22.8	22.5	103
Live broilers, per pound	*Cent*	1937-41	20.2	28.0	28.0	25.6	26.2	94
Live roasters, light, per pound	*Cent*	1937-41	17.4	25.1	26.5	25.6	26.2	99
Live roasters, heavy, per pound	*Cent*	1937-41	16.5	22.7	23.5	25.6	26.2	111
Wholesale prices, New York:								
Dressed broilers, 25-30 pounds per dozen, per pound	*Cent*	1932-41	21.8	29.8	30.0	37.2	37.5	125
Dressed roasters, 48-54 pounds per dozen, per pound	*Cent*	1932-41	20.7	30.4	30.9	37.2	37.5	121
Dressed fowls, 48-54 pounds per dozen, per pound	*Cent*	1932-41	19.4	28.3	29.3	33.2	33.5	114
Cash farm income:								
Total marketings	*Mil. dol.*	1937-41	925	1,962	1,765	2,264	--	115
Poultry and eggs	*Mil. dol.*	1937-41	94	145	179	194	--	134
Price ratios:								
Chicago, broiler-feed	*Lb. feed*	1937-41	17.3	17.2	16.6	11.7	12.1	73
Chicago, light roaster-feed	*Lb. feed*	1937-41	14.8	15.4	15.7	11.7	12.1	77
Farm, egg-feed	*Lb. feed*	1932-41	27.4	23.1	24.2	20.9	22.0	91
Farm, chicken-feed	*Lb. feed*	1932-41	12.4	12.0	12.2	11.4	11.4	93
Farm, turkey-feed	*Lb. feed*	1937-41	15.7	14.8	16.8	13.8	15.3	91
Farm, egg-laying mash	*Lb. feed*	--	--	12.8	13.3	13.1	13.5	102
Laying mash, cost per cwt.	*Dollars*	--	--	2.92	2.92	3.45	3.50	120
Feed cost per cwt., farm poultry ration	*Dollar*	1932-41	1.14	1.62	1.61	2.16	2.14	133
Wholesale food prices (1935-39 = 100)	*Index no.*	1932-41	96.1	130.7	130.8	132.9		
Retail food prices (1935-39 = 100)	*Index no.*	1932-41	97.8	129.6	131.1	138.2	137.3	105
Prices paid by farmers including interest and taxes (1910-14 = 100)	*Index no.*	1932-41	129	154	155	166	167	108
Retail prices (BLS):								
Roasters, dressed, per pound	*Cent*	1932-41	28.6	42.4	42.7	44.1	44.0	108
Eggs, strictly fresh, per dozen	*Cent*	1932-41	43.1	58.5	59.0	67.2	67.4	114
Nonagricultural employees' compensation (1935-39 = 100)	*Index no.*	1932-41	102.4	206.7	212.1	248.7	--	120

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[1] End of month. Frozen eggs converted to case equivalent.

[2] Car equivalent of receipts by freight, truck, and express.

[3] Fresh firsts November 1932-41 average, October, November 1942; standards, 43 pounds, October, November 1943.

THE POULTRY AND EGG SITUATION

Summary

Marketings of chickens in recent weeks have continued much larger than a year earlier, reflecting the record number of chickens raised in 1943 and the large numbers being culled from laying flocks. Civilian consumption has been at record levels, and storage stocks have been accumulating at a faster rate than a year earlier, reflecting, in part, increased volumes apparently stored by hotels and similar institutions. By late November total storage stocks of poultry were larger than a year earlier for the first time in nearly a year.

Reflecting seasonally smaller marketings, wholesale prices of live chickens at Chicago increased in the first part of December and by mid-December were approximately equal to ceiling levels, which were about 2 to 4-1/2 cents higher than actual prices in mid-November. Quotations on most dressed poultry have continued at ceilings. The average price received by farmers for chickens in mid-November was 24.3 cents per pound, compared with 19.6 cents in November last year. Demand for turkey at ceiling prices continues to exceed supplies.

Supplies of poultry for civilians will decline sharply in coming weeks, as marketings drop off seasonally. In the first half of 1944, supplies may be a little larger than a year earlier; but, in all likelihood, they will be considerably short of prevailing demand at ceiling prices. The weakened demand for baby chicks, which first became generally noticeable in mid-October, continued through November. Total commercial hatchery production in November was 7 percent under that of the corresponding month in 1942. Most chicks hatched at this time of the year are used for commercial broiler production. The 1944 goal for broilers is 16 percent below the preliminary indication of the 1943 output.

Egg production has begun to increase seasonally and will continue to expand until the 1944 seasonal peak is reached in April. Civilian supplies of eggs this fall have been somewhat larger than a year ago, and in the first half of 1944 they are likely to average at least as large as in the corresponding period of 1943.

Ceiling prices for eggs have been dropping, according to schedule, for several weeks. But because of seasonally larger supplies, actual prices are declining and are continuing slightly under the ceilings for practically all grades. In mid-December, prices of top grade eggs were the only quotations at ceiling levels. The average price received by farmers for eggs was 47.1 cents per dozen in mid-November, compared with 38.9 cents in November last year.

December 21, 1943

RECENT DEVELOPMENTS

Numbers of Layers Increased

Numbers of layers on farms declined more than seasonally from June to August 1943. During that period large numbers of birds were sold, apparently to make room for pullets from the year's record hatch. Pullets of laying age were added to laying flocks in record numbers during September and October, and total numbers of layers on farms increased more than seasonally in that period, though at a little slower rate than a year earlier. The percentage increase in numbers from October to November was much smaller than in the corresponding period last year, though well above the 1932-41 average for that period. During November the average number of layers on farms in the United States, at 402 million head, was 6 percent larger than in November 1942.

Egg Production Increasing Seasonally

The number of eggs produced per layer in the United States has been slightly lower since March than a year earlier. For the first 11 months of 1943 output per layer totaled 135 eggs compared with 136 in the corresponding period of 1942 and the 1932-41 average of 122 eggs. Output per layer, in November, by regions, as a percentage of a year earlier, was as follows: North Atlantic, 95 percent; East North Central, 96 percent; West North Central, 101 percent; South Atlantic, 99 percent; South Central, 102 percent; and West, 98 percent.

Average production per layer reached the seasonal low point in November. Hence, with a further increase in numbers of layers on farms, total egg output has begun to increase seasonally. Receipts of eggs at primary markets turned upward during November, and in the midwest and Pacific Coast areas receipts are averaging a little larger than a year earlier. Receipts of eggs at eastern egg auctions were moderately smaller during November than a year earlier. The volume of eggs received at terminal markets has continued larger than a year ago.

Total egg production in the United States during November was 4 percent larger than in that month last year. By regions, the November output as a percentage of production in November last year was as follows: North Atlantic and East North Central, 98 percent; West North Central, 110 percent; South Atlantic, 104 percent; South Central, 109 percent; and West, 108 percent.

Egg Price Declining Seasonally

Wholesale price ceilings for better grades of eggs began to decline seasonally in early November. Ceilings for lower grades of eggs began to decline in early December. From mid-November to mid-December wholesale price ceilings declined from 0.5 cents per dozen for lower grades to 3.6 cents per dozen for top grades. Actual prices have not changed significantly in relation to the ceilings during the past month, as increases in receipts have corresponded closely to the scheduled declines in ceiling levels. In mid-December prices of top grade eggs continued close to ceiling levels, but prices of most other grades ranged a little below maximum levels. In mid-December wholesale prices averaged mostly from 5 to 10 percent higher than a year ago.

In mid-November the average price received by farmers for eggs in the United States was 47.1 cents per dozen. This was the highest for the month since 1921 when the price was 50.0 cents per dozen. In November 1942 farmers received an average of 38.9 cents per dozen. The weighted average price received by farmers for eggs in 1943 will be approximately 37.5 cents per dozen compared with 29.9 cents in 1942. The price in 1943 will be the highest on record except for 1919 and 1920 when prices were 41.3 cents and 43.5 cents respectively.

Net Withdrawals of Egg Continue Large

The out-of-storage movement of shell eggs has declined from the seasonal high reached in mid-November but in the first half of December was averaging a little heavier than a year earlier. Part of the shell egg withdrawn in the last several weeks have been used in producing dried egg for Government account. Prices of storage eggs declined 2 to 7 cents during the past month and in mid-December supplies of all grades of storage stocks were ample to meet the demand at less than ceiling prices. On December 1, stocks of shell eggs in the United States totaled 1.8 million cases compared with 4.0 million on November 1 and 1.2 million on December 1, 1942.

Primarily because of large requirements for drying, the out-of-storage movement of frozen eggs has averaged the largest on record throughout the current season. During November the net withdrawal of frozen eggs was 15 million pounds larger than in that month last year, an increase of 28 percent. Stocks of frozen egg have declined relatively more sharply than a year earlier, but on December 1 total United States stocks of this product were 37 percent larger than on the corresponding date last year. The shell egg equivalent of all eggs in storage on December 1 was 6.4 million cases, compared with 4.5 million cases on the corresponding date in 1942.

Wholesale prices of frozen egg have been within 2 cents of ceiling levels, depending on quality of product and type of container. Wholesale prices of frozen whole egg at New York in mid-December were 11 percent higher than a year earlier when the temporary freeze levels were in effect.

Dried Egg Output Decreased Slightly in November

The delivery schedule of dried egg to the War Food Administration, established through foreword contracts between that agency and egg driers, calls for the delivery in December and January of the largest quantities for the entire period that the lend-lease program has been in operation. In line with this schedule, dried egg output was increased considerably since August. Output in November totaled 22.1 million pounds, compared with 23.2 million pounds in October and 19.5 million pounds in November 1942. Dried egg output in the first 11 months of 1943 was 240.9 million pounds compared with 222.5 million pounds in the corresponding period of 1942. Prices of dried egg have been firm at ceiling levels.

Marketings of Poultry Declining Seasonally but are Larger than a Year Earlier

Sales of both young stock and mature hens by farmers in November apparently were the largest on record for the month. At mid-west primary markets receipts of fowls reached a new high monthly total, averaging 22,624 pounds weekly per plant compared with 16,707 pounds in November last year, the previous record high for that month. Marketings of fowl apparently were heavy in all sections of the country during November. Despite the larger number of chickens raised in all geographic divisions this year than last the increase in numbers of layers on farms from October to November was smaller in 1943 than in 1942 in all regions except the Western States. Even in this area, however, the percentage increase in numbers was smaller than a year earlier. Receipts of fowl at mid-west primary markets were smaller in early December than in November but continued the largest on record for the period.

Receipts of young chickens at mid-west primary markets during November, also, were larger than in that month last year, but not by so great a degree as fowl receipts. Nevertheless, receipts of young stock at these primary markets reached a new high record as did fowl. Receipts of young stock as a percentage of total receipts at primary markets in late November dropped below 50 percent, after having averaged well above 50 percent in every week beginning in early August.

Receipts of dressed poultry at the four principal markets, in early December, were considerably larger than a year earlier. These larger quantities, of course, reflect increased marketings from specialized producing areas as well as from general farming areas.

In recent weeks, an increasing proportion of receipts of live poultry at New York have originated in mid-western States. Total receipts of live poultry at New York City have been larger than a year earlier for every month of this year. At Chicago, on the other hand, the volume was below a year earlier during all of 1943 except November.

Prices of better quality live birds recently have been barely steady at ceiling prices, and for lower qualities prices have been moderately below ceilings. Compared with a year earlier, mid-December prices of broilers at New York were about the same, while prices of fowls were higher. For the first time in nearly a year prices of dressed birds at New York have been barely steady at ceiling prices for the past few weeks. Nevertheless, prices of dressed birds at that market have continued higher than a year earlier. The average price received by farmers in the United States, in mid-November, was 24.3 cents per pound, compared with 24.6 cents in October and 19.6 cents in November last year.

Into-Storage Movement of Poultry Continuing at Record Levels

A record into-storage movement of poultry has occurred since last June. The net into-storage movement during November was 57 million pounds, compared with 32 million pounds in that month last year, and the previous record high for November of 48 pounds, reached in 1939. On December 1 holdings of poultry in storage totaled 197 million pounds, a record high for that date. The 1932-41 average for December 1 is 121 million pounds.

Stocks of all classes except ducks increased during November. The greatest relative increase over November 1 was shown for fowl. Holdings of this class were increased 52 percent.

The poultry storage situation this fall apparently is characterized by heavier than usual holdings by hotels, restaurants and similar institutions and perhaps heavier holdings by the armed forces, than a year ago.

The into-storage movement of poultry continued higher during the first half of December than a year earlier. In 1942, storage holdings of poultry reached the annual peak in mid-December; and, for the first time on record, net withdrawals occurred in the second half of that month.

Index Numbers of Seasonal Variation in Egg Prices for 1944

Changing index numbers of seasonal variation which are used in adjusting egg prices were presented in "The Poultry and Egg Situation" for May 1942. Growth of the dried egg industry and the imposition of price control regulations have tended to influence abnormally the usual seasonal pattern of egg prices. But underlying shifts in the egg price pattern due to further changes in the farm egg production pattern and other elements have continued.

Index numbers of seasonal variation in egg prices that will be used in computing seasonally adjusted parity prices for eggs in 1944 are given below. Compared with the series used in 1943 these figures are decreased 1 point for February and November and increased 1 point in July and August. The indices for 1944 follow:

January	95	April	82	July	92	October	126
February	87	May	82	August	99	November	137
March	82	June	82	September	114	December	122

1944 Poultry Goals by States

National production goals for most agricultural products for 1944 were announced by the War Food Administration on November 11 following a series of State goals meetings. In most States, the goals for the State were announced soon after the conclusion of these meetings. In table 1, the States goals for eggs, chickens, turkeys, and broilers are summarized to show the geographical pattern of the national objectives for poultry and eggs.

Attainment of all suggested individual livestock goals is contingent upon substantial reductions in the amount of feed fed to hogs, and some reduction in amounts fed to cattle and to poultry other than laying birds. Any tendency of any species of livestock to increase beyond the goals jeopardizes, of course, the chances of achieving the goal for some other product. Based on United States average prices, the recent revision in the corn price ceiling resulted in a less favorable hog-corn ratio.

The 1944 agricultural production goals express a national objective consistent with available resources. In the livestock production goals, the national objective is to obtain the maximum possible amount of most urgently needed food from prospective supplies of feed concentrates. To attain this objective it is estimated to be necessary to produce each national livestock goal in a specific geographic pattern. The State goals given in the table indicate the patterns.

To meet the 1944 national goals for chickens raised and broilers produced, considerably fewer chicks from commercial hatcheries would be needed than were produced in 1943. The exact percentage reduction can not be determined, of course, until final data for 1943 are available, but an output below the 1943 level by within 2 percentage points of 10 percent probably would be sufficient to reach the goals. In 1943 farmers hatched on their own farms about 16 percent of the chicks they started. From October 1, 1942 through September 30, 1943, the period in which chicks were hatched for producing commercial broilers and farm raised chickens in 1943, the output of commercial hatcheries totaled 1,435 million chicks. Compared with a year earlier, the October chick output was 9 percent larger, and the November production 7 percent smaller, making hatchings for the 2 months about the same as a year earlier. The November output of course, was primarily for broilers, the goal for which calls for a 19 percent reduction compared with 1943.

To meet the turkey goal, about the same number of hatching eggs would be needed in 1944 as was produced in 1943, assuming approximately the same fertility rate as last season.

Table 1.- Eggs and commercial broilers produced and chickens and turkeys raised, by States, indicated for 1943, with goals for 1944

State	Eggs produced			Chickens raised			Broilers produced			Turkeys raised		
	1943 1/	1944 goals	1944 goal as percentage of 1943	1943 1/	1944 goals	1944 goal as percentage of 1943	1943 1/	1944 goals 2/	1944 goal as percentage of 1943	1943 1/	1944 goals 2/	1944 goal as percentage of 1943
	Million dozens	Million dozens	Percent	Thousands	Thousands	Percent	Thousands	Thousands	Percent	Thousands	Thousands	Percent
Maine	31.7	31.5	99	5,267	5,000	95	924	675	73	43	42	98
N. H.	23.8	24.0	101	4,425	4,200	95	1,610	1,180	73	64	62	97
Vt.	13.3	12.0	90	1,932	1,800	93	1,175	935	80	161	148	92
Mass.	61.8	62.0	100	10,687	10,000	94	2,925	2,327	80	216	210	97
R. I.	6.3	6.2	98	1,053	1,000	95	212	169	80	26	24	92
Conn.	35.8	37.0	103	5,548	5,400	97	11,583	10,193	88	117	111	95
N. Y.	169.6	175.0	103	26,686	25,000	94	5,850	4,574	78	386	371	96
N. J.	76.4	78.0	102	11,753	11,000	94	2,232	1,808	81	166	134	81
Pa.	214.9	216.0	101	39,376	37,000	94	5,070	3,964	78	1,071	988	92
N. Atl.	633.6	641.7	101	106,727	100,400	94	31,581	25,825	82	2,250	2,090	93
Ohio	228.1	230.0	101	38,631	38,000	98	4,125	3,281	80	806	822	102
Ind.	165.8	165.0	100	36,842	36,000	98	6,325	5,031	80	453	412	91
Ill.	223.4	232.0	104	48,538	46,000	95	8,100	6,000	74	609	609	100
Mich.	130.6	130.0	100	24,840	21,114	85	682	477	70	519	493	95
Wis.	187.4	196.0	105	29,483	28,000	95	2,000	1,591	80	554	499	90
E. N. Cent.	935.3	953.0	102	178,334	169,114	95	21,232	16,380	77	2,941	2,835	96
Minn.	285.7	300.0	105	53,634	47,000	88	---	---	---	2,983	2,500	84
Iowa	325.8	340.0	104	69,926	69,000	99	---	---	---	1,867	1,811	97
Mo.	242.0	237.0	98	43,241	43,000	99	2,818	2,000	71	1,332	1,300	98
N. Dak.	51.7	53.0	103	13,725	12,000	87	---	---	---	788	906	115
S. Dak.	82.5	95.0	115	21,217	21,000	99	---	---	---	712	1,000	140
Nebr.	156.0	163.0	104	39,256	40,000	102	---	---	---	1,197	1,222	102
Kans.	183.1	184.0	100	35,249	35,000	99	1,035	855	83	958	977	102
W. N. Cent.	1,327.8	1,372.0	103	276,248	267,000	97	3,853	2,855	74	9,837	9,716	99
Del.	10.3	10.0	97	3,246	3,200	99	58,320	50,000	86	90	80	89
Md.	34.6	34.0	98	9,465	8,500	90	21,060	18,000	85	405	380	94
Va.	84.7	84.0	99	20,259	18,000	89	19,250	14,000	73	857	805	94
W. Va.	44.5	44.0	99	6,467	5,600	87	8,120	6,063	75	235	235	100
N. C.	82.5	86.0	104	26,666	30,000	113	11,600	3/ 9,628	83	255	240	94
S. C.	27.0	30.0	111	11,375	11,650	102	3,738	2,600	70	178	180	101
Ga.	57.5	58.0	101	18,585	18,000	97	16,500	14,025	85	168	146	87
Fla.	19.0	19.0	100	5,816	5,300	91	5,668	4,417	78	120	110	92
S. Atl.	360.1	365.0	101	101,879	100,250	98	144,275	127,275	88	2,308	2,176	94
Ky.	107.7	112.0	104	27,592	28,000	102	1,438	1,144	80	254	224	88
Tenn.	97.6	97.5	100	20,975	21,000	100	2,812	2,237	80	196	190	97
Ala.	63.7	64.0	100	16,665	16,000	96	---	---	---	162	162	100
Miss.	52.5	52.0	99	19,060	19,500	102	1,731	1,377	80	124	126	102
Ark.	64.0	63.0	98	17,008	17,000	100	11,550	10,175	88	126	121	96
La.	32.2	4/ 32.5	101	11,612	4/ 11,000	95	1,320	4/ 1,069	81	67	4/ 65	97
Okla.	129.5	133.0	103	25,725	26,000	101	3,125	2,486	80	954	973	102
Tex.	271.8	272.0	100	52,046	51,000	98	12,350	9,656	78	3,836	3,836	100
S. Cent. ...	819.0	826.0	101	190,683	189,500	99	34,326	28,144	82	5,719	5,697	100
Mont.	21.1	21.0	100	5,576	4,619	83	---	---	---	246	276	112
Idaho	24.8	25.0	101	5,250	4,700	90	---	---	---	232	246	106
Wyo.	8.8	8.7	99	2,273	2,200	97	---	---	---	158	250	158
Colo.	39.2	39.0	99	8,249	7,000	85	---	---	---	861	878	102
N. Mex.	12.2	12.0	98	1,634	1,600	98	---	---	---	55	50	91
Ariz.	6.5	6.8	105	1,239	1,100	89	824	634	77	93	90	97
Utah	27.7	31.0	112	4,031	4,600	114	---	---	---	1,341	1,234	92
Nev.	2.9	2.8	97	582	500	86	---	---	---	34	31	91
Wash.	78.3	76.0	97	10,892	9,500	87	1,418	1,091	77	1,206	1,110	92
Oreg.	41.7	40.0	96	5,975	5,900	99	406	300	74	2,084	1,917	92
Calif.	176.7	176.7	100	26,080	25,000	96	10,660	7,500	70	3,704	3,445	93
West.	439.9	439.0	100	71,781	66,719	93	13,308	9,525	72	10,014	9,527	95
U. S.	4,515.7	4,596.7	102	925,652	892,983	96	248,576	201,492	81	33,069	32,041	97

1/ Indicated.

2/ Revised figures have been received from some States since November 11, thus changing the United States total from the figure announced on that date.

3/ An unofficial State survey indicates that 21,855,600 broilers were produced in North Carolina in 1943. A goal for 1944 at 83 percent of that level would indicate a goal of 18,140,000 birds rather than the figure of 9,628,000 as shown in the table. Final estimates of 1943 production of commercial broilers, as well as production of other poultry products, will be published by the United States Department of Agriculture for all States in March 1944.

4/ Goals suggested by National Goals Committee; final goals not yet received from the State Goals Committee.

Poultrymen Urged to Cull Laying Flocks Closely

Efficiency in use of feed for producing eggs increases as the average number of eggs produced per bird increases. In view of this consideration and the 1944 egg goal, which is 2 percent above 1943 production, it appears desirable that numbers of layers be reduced somewhat from the present record high level. On December 8, through a statement issued jointly by the War Food Administration and representatives of the poultry industry, poultrymen were urged to cull flocks closely in coming weeks. It was suggested that poultrymen cull birds not in laying condition, especially older birds and undersized, slow-maturing pullets.

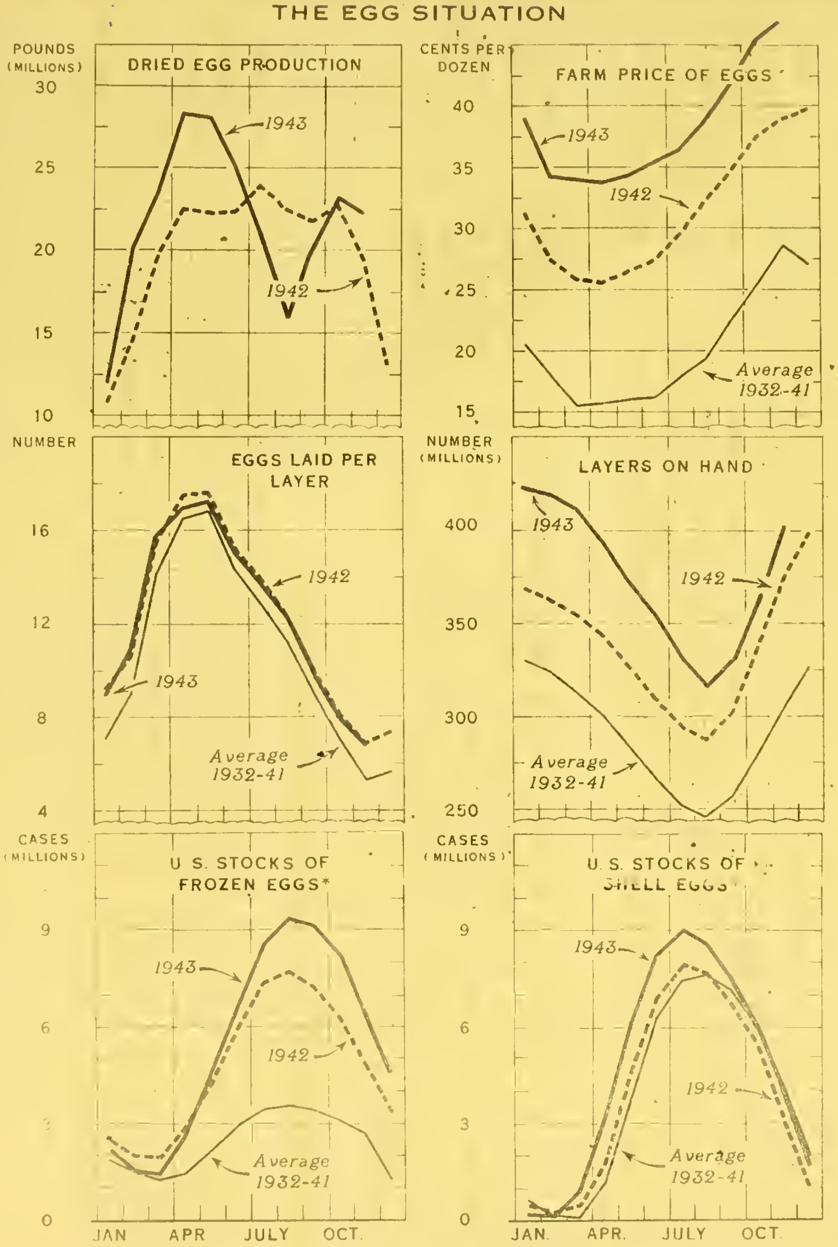
OUTLOOK

BACKGROUND.- Ceilings were first placed on prices of some protein feeds and mixed feeds in March 1942. In January 1943 ceilings were placed on margins of feed mixers and dealers, over costs of ingredients actually used in the mixtures. Ceilings were established for corn in March 1943. In past months prices of oats, barley, and grain sorghums advanced sharply. Feeds that were relatively low in price under ceilings have not moved freely in commercial channels since last spring thus resulting in gradual increases in average prices of ingredients used by feed mixers. In the January-November period of 1943, the United States price paid by farmers for laying mash increased on an average of about 4-1/2 cents per hundred pounds, per month.

Price Ceiling Raised for Corn, Established for Three Other Grains

Final estimates for 1942 and December 1 estimates for 1943 indicate a total output of feed grains for the year of 115 million tons, only 8 million tons under the record output of last year. The estimated supply of all high-protein feeds is now 11.0 million tons compared with 11.2 million tons last season. Prospective supplies of all feed concentrates in 1943-44 including feed wheat and rye and byproduct feeds total 169 million tons, compared with the 1942-43 production of 172 million tons, the 1937-41 average of 136 million tons, and the 1935-39 average of 118 million tons. A larger number of animal units is on farms than a year ago but by drawing on reserve feed supplies, actual disappearance of concentrates per animal unit probably will be slightly larger than average, though about 7 percent below the 1942-43 level.

The ceiling price for corn was raised 9 cents per bushel, Chicago basis, effective December 6. On the same date prices of oats, barley, and grain sorghums were frozen for a 60 day period, pending the issuance of a permanent regulation for these feeds. Also the War Food Administration announced the following actions. 1. Elimination of the subsidy the Commodity Credit Corporation has been paying on corn moving from surplus to eastern and southern deficit areas. 2. An increase of 20 cents per bushel in the price of feed wheat. 3. An offer to buy corn throughout December at the old ceiling price in 150 counties on the fringe of the Corn Belt where the new ceilings on corn represent a reduction in prices.



* 1ST OF THE MONTH

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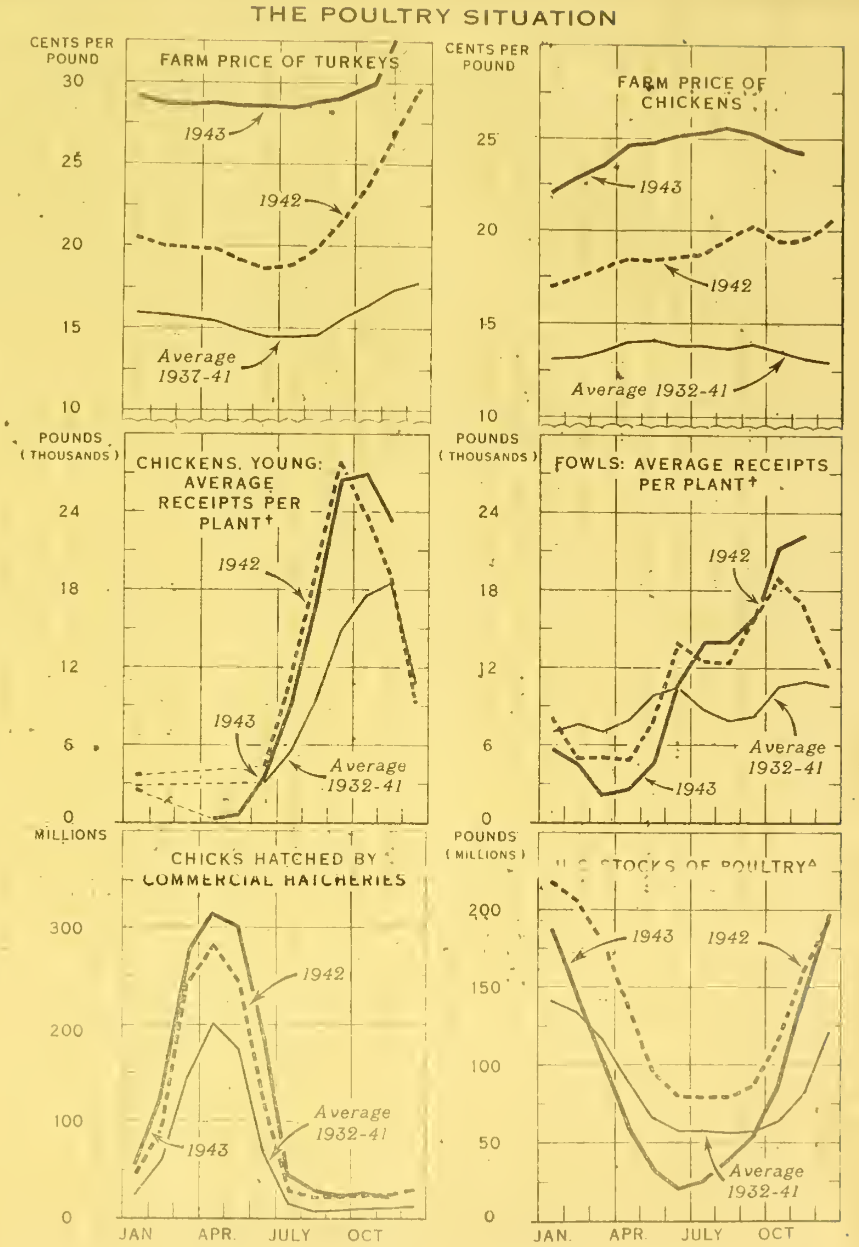
FIGURE 1



△ 1ST OF THE MONTH † RECEIPTS AT CENTRAL WESTERN PRIMARY MARKETS

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FIGURE 2

Hatchery Production Below a Year Earlier

The weakness in demand for baby chicks for immediate delivery, which first developed in mid-October, continued through November. The output of chicks by commercial hatcheries declined from October to November. Only in 1 other year on record -- 1939 -- has output declined between these 2 months. Although the November production was 7 percent below the record established in November 1942, it was the second largest on record for that month. As a percentage of a year earlier, the output of baby chicks in November, by regions, was as follows: New England, 79 percent; Middle Atlantic, 95 percent; East North Central, 92 percent; West North Central, 79 percent; South Atlantic, 110 percent; South Central, 85 percent; Mountain, 90 percent; and Pacific, 83 percent.

The number of chicks booked on December 1 for later delivery was much greater than on November 1, 1942. Apparently, however, this number includes a much greater than usual proportion of orders for delivery next spring. The inability of many farmers to get chicks at the desired time last spring has caused an early influx of orders for delivery in the usual period when replacement stock is started.

Output of chicks by commercial hatcheries has about reached the low point for the season, and the output probably will begin to expand at an increasing rate in coming weeks. The demand for baby chicks in the coming season, however, is not likely to be so strong as in the 1943 season. Feed prices in the first half of 1944, if continued at present levels, would be approximately 10 percent higher than a year earlier. Ceiling prices now in effect would permit slightly higher egg prices than actually prevailed in the flush season last year but no higher chicken prices. Consequently, both the egg- and chicken-feed price relationships are likely to be less favorable than a year earlier, during at least the first part of the coming hatching season. In addition, local feed shortages are likely to develop particularly within deficit feed areas. Uncertainties arising from the tight feed supply situation, together with less favorable price relationships, are likely to predominate in bringing about a weaker demand for chicks than prevailed last season.

A part of the unprecedented chick demand in 1943 was unsatisfied. Nevertheless it is likely that the demand in much of 1944 will be for fewer chicks than were actually purchased a year previous. Even at a lower level, the demand probably will not be so steady as it was in 1943. Thus hatcherymen may be required to correlate hatching schedules with forward delivery schedules rather closely.

Chicken Marketings to Decline Seasonally

Marketings of commercial broilers and fryers are likely to continue larger than a year earlier through the first few weeks of 1944. Farm marketings of late hatched chickens and of fowl culled from laying flocks probably will continue larger than a year earlier, at least for the next several months. The level of total chicken marketings, however, will decline considerably from the record highs recently reached. Supplies of chicken for civilians will be at a seasonally low level in the period February through April. Demand for chicken is likely to continue stronger than a year earlier, well into 1944 -- if not during the entire year. In the first 6 months of 1944, demand at ceiling prices is likely to exceed supplies by at least as great a degree as in the corresponding period of 1943.

Supplies of Turkey Continue Short of Demand

Turkey marketings have been seasonally heavy since late October, but the unprecedented consumer demand this fall has not been satisfied at any time. Mid-December indications point to a supply of turkey for the year-end holidays no larger than at Thanksgiving. In some markets prospective supplies are even smaller. Storage stocks of turkeys were increased during November but on December 1 they were 2.5 million pounds smaller than on December 1 last year. Supplies of turkey, of course, will decline sharply from the holiday levels and quantities for civilians, in coming months, will continue to be substantially smaller than a year earlier.

Production of turkeys has been relatively stable during the war period, in contrast to sharp increases registered for other poultry items. Turkey production has been limited by supplies of hatching eggs. The shortage was especially pronounced in 1943. Prices were bid to relatively high levels. According to some indications, farmers have been encouraged by these prices to keep larger breeding flocks for 1944 egg production.

December 1 Potential Layers 9 Percent Over a Year Earlier

Considerations with respect to feed supplies and feed prices -- discussed above in connection with the prospective demand for chicks -- also will have a bearing on future changes in numbers of layers and in egg production per layer. In addition, limitations of poultry housing facilities, especially in surplus feed areas, will be an influential factor.

With the record number of potential layers now on farms, and the larger than usual proportion of late hatched pullets in flocks, it is likely that the number of birds culled from potential laying stock will continue much larger than usual, well into the early months of 1944. However, the favorable egg-feed price relationship which is in prospect for the flush period of egg production -- though less favorable than the record a year earlier -- will encourage farmers to keep as many hens as they can house and supply with feed. A continued tight feed supply situation, no doubt, will result in very heavy culling, beginning toward the close of the flush laying period.

The number of eggs produced per bird is increasing seasonally. Improved quality of laying stock and the large proportion of pullets will tend to offset the less favorable effects of the feed supply and price situation. The average rate of production in the United States, therefore, probably will continue close to the level of a year earlier. Total egg production in the first half of 1944 probably will be somewhat larger than in the corresponding period of 1943.

With favorable weather in January and February supplies of eggs will increase rather sharply. This may cause prices to decline temporarily somewhat below prevailing ceilings. Egg storing and drying usually does not start in volume until a little later. The extent of any decline below ceilings of course, would be limited by the W.F.A. price support program in effect. This provides that prices will be supported at not less than 30 cents per dozen, in the spring, and an annual average of 34 cents per dozen, basis of the United States average price received by farmers. The beginning of the usual flush season of egg production will be accompanied by the starting of heavy storing and drying operations. Hence, prices in the heaviest producing months, next year, are likely to be little different from a year earlier.

INDEX NUMBERS OF NET DISAPPEARANCE OF BIRDS FROM LAYING FLOCKS [1]

For some purposes it is desirable to have a single series of figures to indicate generally whether the net removals from, or additions to, laying flocks are greater or less than average in relation to the prevailing level of numbers. To supply this need, index numbers presented in tables 3 and 4 were developed.

Three factors account for month-to-month changes in numbers of layers on farms. They are: (1) Addition of pullets to laying flocks, (2) mortality, and (3) culling. For the nation as a whole, pullets are added to laying flocks in largest numbers in the last 4 months of each calendar year, resulting in a seasonal increase in size of laying flocks. The seasonal peak in numbers usually is reached approximately on January 1. As a result of mortality and culling, numbers then decline seasonally during the January-August period.

The series of index numbers in tables 3 and 4 were developed from link relatives of numbers of layers. In table 2 the link relatives are given of numbers of layers on farms from February 1925 through November 1943. (Link relatives are computed by expressing each number in a series as a percentage of the number immediately preceding. In this case the number of layers in each month was expressed as a percentage of the number in the previous month.) The 1932-41 average of monthly link relatives is given at the bottom of table 2. The index numbers, given in table 3, were computed by expressing the 1932-41 average of link relatives for each month as percentages of the link relatives for corresponding months in each year. A similar procedure was used in developing index numbers for each of the six major geographic divisions. Regional index numbers are given in table 4 for the last 3 years.

In effect, an index number (in table 3 or 4) higher than 100 suggests that the "net disappearance" of birds from laying flocks is relatively greater than it was, on the average, in the corresponding period of 1932-41. An index number below 100 suggests that the "net disappearance" of birds from laying flocks is relatively smaller than it was, on the average, in the corresponding period of 1932-41. These index numbers are not indicative of net disappearance from numbers of potential layers, of course, since the computations were based on actual numbers of laying birds. Similarly in the fall and early winter months the index numbers are not wholly indicative of the net disappearance from laying flocks unless consideration is given to the number of pullets available for addition to laying flocks.

---

[1] Index numbers represent the ratio between the 1932-41 average percentage month-to-month changes in numbers of layers and percentage changes in prevailing monthly numbers of layers.

In the January-August period relatively few pullets are added to laying flocks. Thus variations in the monthly index numbers from January to August are roughly indicative of the rate of culling. The mortality rate varies only moderately from year to year. In the fall and early winter months the effects of adding pullets to laying flocks far more than offset mortality and culling. But if rough allowance is made for the change in numbers of potential layers these index numbers also are indicative of the approximate relative culling rate for that period.

In the years 1932-41 there was a net decrease of 2 percent in chickens raised and a net decrease in hens and pullets January 1 of about 1 percent.

As longer series of quarterly or monthly data on mortality and potential layers become available, it will be possible to construct a fairly accurate measure of the actual culling rate.

The index numbers for the United States have been less than 100 since August, indicating numbers have increased relative to the 10-year average and suggesting, perhaps, a relatively light culling rate. But in view of the record increase in numbers of chickens raised this year the increase in numbers of layers has been relatively small, indicating a heavier than usual culling rate among potential laying stock. The index numbers in table 4 indicate that culling of layers from flocks has been larger this fall than last in all regions after the large numbers of pullets added to laying flocks is considered. In the South Atlantic and South Central regions, culling apparently has been larger than average.

It is apparent from table 2 that the percentage changes in monthly figures vary slightly from year to year. This accounts for the relatively small deviation from 100 in the index numbers. The index numbers have deviated from the 100-line in a fairly consistent cyclical pattern during the past decade.

Table 2.- Number of layers on farms: Link-relatives, United States, 1925-43

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1925		99.4	97.2	95.9	95.8	95.6	95.7	97.4	100.9	106.0	108.4	106.5
1926	103.0	99.2	97.3	96.1	95.4	95.9	96.0	97.0	102.2	106.6	108.6	108.4
1927	103.8	99.4	97.7	96.0	94.8	94.9	95.6	98.3	102.7	106.4	108.0	107.2
1928	103.0	98.3	96.6	95.7	94.6	95.2	95.3	96.4	101.5	106.3	107.3	106.4
1929	102.3	98.2	97.4	96.3	95.1	95.1	95.8	97.2	102.0	108.0	109.1	108.1
1930	103.1	98.1	97.0	95.6	94.4	94.3	95.1	97.1	103.7	107.7	106.7	105.8
1931	101.6	97.1	95.8	95.3	94.6	94.5	94.8	97.2	103.9	107.9	107.4	106.8
1932	97.5	97.9	96.2	95.9	95.1	94.5	95.2	97.7	103.8	107.5	108.2	108.0
1933	102.8	97.9	96.9	95.8	94.6	93.8	93.8	97.4	103.3	108.2	109.0	107.6
1934	102.4	98.0	97.0	95.7	94.1	93.5	94.0	96.2	102.2	106.9	107.6	105.8
1935	101.2	98.6	97.1	95.7	94.6	94.3	95.1	97.3	104.9	109.9	108.6	106.9
1936	102.1	98.1	97.2	96.0	94.5	93.9	94.5	97.5	105.3	110.3	109.7	107.7
1937	102.6	97.6	96.8	95.6	94.2	93.4	94.4	96.9	102.5	107.3	107.2	105.6
1938	101.6	98.1	96.9	95.3	94.3	94.5	95.4	98.8	105.1	109.8	109.2	107.3
1939	102.7	98.2	96.8	95.4	94.5	94.3	94.7	98.0	104.9	110.0	109.6	107.2
1940	102.2	98.2	97.0	95.7	94.8	93.3	93.6	97.8	104.0	108.3	108.8	106.4
1941	101.4	97.9	97.1	95.8	94.8	94.9	95.5	98.4	106.4	111.4	110.3	107.8
1942	102.5	98.5	97.7	96.6	95.4	94.9	95.1	97.7	105.0	111.9	111.7	108.4
1943	103.0	99.0	98.1	95.9	94.9	95.0	93.1	95.6	105.0	110.4	109.8	
1932-41 average	101.6	98.0	96.9	95.7	94.6	94.0	94.6	97.6	104.2	109.0	108.8	107.0

Table 3.- Net disappearance of birds from laying flocks relative to the prevailing level of numbers, United States, 1925-43

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Index numbers (1932-41 = 100)											
1925		98.6	99.7	99.8	98.7	98.3	98.9	100.2	103.3	102.8	100.4	100.5
1926	98.6	98.8	99.6	99.6	99.2	98.0	98.5	100.6	102.0	102.3	100.2	98.7
1927	97.9	98.6	99.2	99.7	99.8	99.1	99.0	99.3	101.5	102.4	100.7	99.8
1928	98.6	99.7	100.3	100.0	100.0	98.7	99.3	101.2	102.7	102.5	101.4	100.6
1929	99.3	99.8	99.5	99.4	99.5	98.8	98.7	100.4	102.2	100.9	99.7	99.0
1930	98.5	99.9	99.9	100.1	100.2	99.7	99.5	100.5	100.5	101.2	102.0	101.1
1931	100.0	100.9	101.1	100.4	100.0	99.5	99.8	100.4	100.3	101.0	101.3	100.2
1932	104.2	100.1	100.7	99.8	99.5	99.5	99.4	99.9	100.4	101.4	100.6	99.1
1933	98.8	100.1	100.0	99.9	100.0	100.2	100.9	100.2	100.9	100.7	99.8	99.4
1934	99.2	100.0	99.9	100.0	100.5	100.5	100.6	101.5	102.0	102.0	101.1	101.1
1935	100.4	99.4	99.8	100.0	100.0	99.7	99.5	100.3	99.3	99.2	100.2	100.1
1936	99.5	99.9	99.7	99.7	100.1	100.1	100.1	100.1	99.0	98.8	99.2	99.4
1937	99.0	100.4	100.1	100.1	100.4	100.6	100.2	100.7	101.7	101.6	101.5	101.3
1938	100.0	99.9	100.0	100.4	100.3	99.5	99.2	98.8	99.1	99.3	99.6	99.7
1939	98.9	99.8	100.1	100.3	100.1	99.7	99.9	99.6	99.3	99.1	99.3	99.8
1940	99.4	99.8	99.9	100.0	99.8	100.8	101.1	99.8	100.2	100.6	100.0	100.6
1941	100.2	100.1	99.8	99.9	99.8	99.1	99.1	99.2	97.9	97.8	98.6	99.3
1942	99.1	99.5	99.2	99.1	99.2	99.1	99.5	99.9	99.2	97.4	97.4	98.7
1943	98.6	99.0	98.8	99.8	99.7	98.9	101.6	102.1	99.2	98.7	99.1	

Table 4.- Net disappearance of birds from laying flocks relative to the prevailing level of numbers, by regions, 1941-43

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Index numbers (1932-41 = 100)											
	North Atlantic											
1941	100.5	99.2	100.7	99.7	99.7	99.2	99.2	99.1	99.2	98.8	98.6	100.2
1942	100.9	99.5	100.4	99.8	99.4	99.5	98.4	97.7	99.0	98.2	98.0	99.5
1943	100.9	99.3	100.2	101.1	100.7	98.6	99.8	98.7	97.1	102.1	99.3	
	East North Central											
1941	101.2	101.1	100.6	99.6	99.8	98.5	98.7	100.0	96.6	97.0	100.6	100.5
1942	100.2	100.1	99.5	99.6	99.5	99.1	99.3	98.9	98.3	97.4	98.2	99.3
1943	99.9	99.1	100.1	101.1	99.4	98.2	100.6	100.8	98.8	100.3	99.0	
	West North Central											
1941	100.9	98.8	99.0	100.3	99.5	99.6	99.2	99.1	97.8	97.5	98.1	106.4
1942	98.9	98.3	99.0	99.5	99.4	98.7	99.1	100.0	100.3	97.0	96.4	97.4
1943	98.6	99.0	98.6	99.5	99.5	98.6	101.5	103.8	99.9	97.4	98.0	
	South Atlantic											
1941	100.8	100.8	99.8	100.3	100.6	99.7	99.7	97.8	96.7	98.1	99.1	99.3
1942	99.0	99.2	99.1	98.5	99.8	99.3	98.9	101.6	100.3	97.5	97.6	99.2
1943	99.7	98.4	98.1	99.8	99.6	99.1	102.0	100.1	99.2	100.4	100.2	
	South Central											
1941	100.5	100.0	99.9	99.9	99.3	98.4	98.7	99.0	98.6	97.7	97.3	98.9
1942	100.2	100.0	98.6	97.4	97.5	99.2	100.3	100.3	99.2	97.6	97.4	98.8
1943	99.0	99.6	96.9	98.0	99.4	99.0	102.0	102.8	100.4	99.1	100.1	
	Western											
1941	99.9	100.5	99.2	99.8	100.0	99.6	99.4	99.4	99.5	98.7	98.5	98.9
1942	98.8	99.5	99.2	99.1	98.9	99.4	100.9	101.6	98.6	96.8	98.6	99.0
1943	96.6	96.9	100.1	100.6	98.9	98.7	101.5	101.9	98.2	98.3	99.1	

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